HOCKLEY HEATH PARISH COUNCIL RISK MANAGEMENT SCHEME

A risk is a threat that an event or action may take place which impacts negatively upon the Parish Council's ability to perform its duties effectively, achieve its objectives and protect its community and financial assets.
The management of risk is an important aspect of Hockley Heath Parish Council's role; endeavouring to ensure that staff and contractors are safe when working and to also protect the assets that the Council holds, including public monies. The Parish Council also ensures that risks to members of the public that use the recreation ground and the Pavilion facilities have been identified and reduced (see separate risk assessment documents for these specific areas).

This document has been produced to enable Hockley Heath Parish Council (HHPC) to assess the risks for the Council's functions and to undertake actions necessary to eliminate or minimise the risk, insofar as is practically possible.

No	Area	Risk(s) Identified	Risk Level (H/M/L)	Exposure	Management/ Control	Actions
1	Financial	Insufficient precept	L	Parish Council	Accurate annual budgeting based upon previous years expenditure and income. Parish Council to determine projects to be undertaken and proposed costs. Reserves of a minimum of ⅓ - ½ the precept.	Clerk to prepare annual budgets. Parish Council to review and approve annual budgets. Continue regular monitoring of expenditure against the budget.
2	Financial	Loss of cash or theft	L	Parish Council	HHPC does not operate a petty cash system. Hall users and football pitch hirers requested to pay invoices by bank transfer or cheque. Cash is not accepted.	Clerk to continue using all invoices with HHPC bank details listed.

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Date: 19 March 2026 (minute reference 258/25.1)

3	Financial	Loss of cheques	L	Parish Council Clerk	HHPC uses internet banking to make payments. HHPC requests all donations and invoices are paid via bank transfer. Any cheques received are posted in a timely manner to the bank (the same day where possible).	HHPC to continue using internet banking and request payment through bank transfer.
4	Financial	Bank account balances	L	Parish Council	Bank accounts held with a reputable bank and monies guaranteed under Financial Services Compensation Scheme.	HHPC to continue using existing bank.
5	Financial	Theft/fraud through online payments	L	Parish Council	Adopted Financial Regulations Policy provides safeguards. All payments listed on the monthly agenda and minutes. Councillors view invoices detailing payment amounts before payments are authorised in a PC meeting. Clerk creates bank payment schedule only and two Councillors process all payments approved in a PC meeting. Councillors related to the Clerk will not have access to the banking system. Three monthly bank statements viewed and signed by a Councillor. Internal annual audit by an independent qualified auditor who inspects a selection of invoices, payments, bank accounts and Parish Council meeting minutes.	HHPC to continue with the current internal control procedures with two Councillors authorising payments. HHPC to continue reviewing bank statements. Clerk to continue providing all invoices to Councillors and listing payments on the agenda and minutes. HHPC to continue appointing an independent and qualified internal auditor and consider all recommendations.

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6	Financial	VAT errors with the annual claim	L	Parish Council	Clerk requests a VAT invoice displaying VAT amount and GB VAT number. Edge IT accounts calculate VAT. VAT claim amount checked by a Councillor. VAT reclaimed from HMRC annually. Checks on VAT by internal auditor.	HHPC and Clerk to continue with current procedures and reclaim VAT annually.
7	Financial	Payroll errors or fraud with salary increases	L	Parish Council	Payroll is outsourced to a professional company. Chair of HHPC annually informs payroll of agreed salary, approved by HHPC. Monthly reports received from payroll provider on salary, HMRC and pension and these are reviewed by Clerk and Councillor for accuracy.	HHPC to continue with current procedures.
8	Financial	Non-payment of HMRC employer contributions	L	Parish Council Clerk/RFO	Payroll is outsourced, all employer and employee contributions for tax and NI sent to HMRC monthly by payroll provider. Reports received from payroll. Clerk checks Government gateway account for accurate contributions.	HHPC to continue with existing procedures.
9	Financial	Pension contribution errors	L	Parish Council Clerk	The Clerk processes the monthly pension payments which are calculated by payroll and listed on reports, agendas, and minutes.	HHPC to continue with existing procedures.

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10	Financial	Loss of income from hire/payment of the facilities	L	Parish Council	Contracts in place for payments from hirers. Deposits from hirers to offset bad debts. Insurance in place to recover losses for non-payments, business interruption (specific scenarios) and damage. General reserve if unforeseen events result in closure of the facilities, and loss of income, that is not recoverable through insurance.	HHPC to continue with current procedures.
11	Financial	Grant awards to external bodies are appropriate/accurate	L	Parish Council	Policy and documentation in place for HHPC to grant local organisations small grants award. HHPC requests documentation, account balances, bank statement and purpose of grant. HHPC approves all grant requests and amounts in a Parish meeting. Bank statement and Edge IT accounts display grant awarded.	HHPC to continue with current procedures and review all applications at a Parish Council meeting.
12	Assets	Loss of Parish Council assets	M		Asset register maintained by Clerk and registered with insurers. Insurance in place for replacement costs, vandalism etc. Regular weekly checks on play areas, outdoor equipment, benches, and storage areas.	Clerk to continue maintaining asset register and review annually. Comprehensive insurance for losses to continue.

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13	Assets	Pavilion damage or vandalism	M	Parish Council Public	Deposits taken to recover losses or damage from hall hirers. Contracts issued to hall hirers and terms of hire agreement. Insurance in place for losses, vandalism, hirers liability. Regular Pavilion maintenance schedule.	Parish Council to regularly review deposit amounts. Continue with all other current practices.
14	Assets	Storm damage, flooding, drought, extreme heat	M	Parish Council Public	Insurance in place for losses, storm damage. Loss of income. Three yearly tree survey for all trees in the area and regular maintenance. Management of recreation grounds by grounds contractor.	Parish Clerk to continue to review asset register and Parish Council to review annually. Comprehensive insurance for losses to continue.
15	Organisation	Loss of Clerk	H	Parish Council Public	Parish Council is a member of WALC and SLCC – advice to be sought on continuity of service. Advertise for Clerk via WALC and locally. Advertise for a Locum Clerk via WALC in the interim.	Chair to undertake the actions to recruit a Locum or permanent Clerk.
16	Organisation	Loss of Responsible Financial Officer (RFO)	H	Parish Council Public	Parish Council is a member of WALC and SLCC – advice to be sought on financial obligations and timescales. Advertise for an RFO via WALC and locally. Advertise for a Locum RFO via WALC in the interim.	Chair to undertake the actions to recruit a Locum or permanent RFO.

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17	Organisation	Loss of Councillor	L/M	Parish Council Public	Clerk to advertise for a co-opted Councillor vacancy. Parish Council requires three Councillors to be quorate. If not quorate, request assistance from the SMBC Monitoring Officer for a temporary representative. Parish Councillors' email account deleted on leaving the Parish Council. Parish Council bank and building society mandates updated to remove Parish Councillor.	Clerk to undertake necessary actions if required.
18	Organisation	Loss of IT data	M/H	Parish Council Staff Public	Anti-virus software in place. Monthly data back-ups. Secure passwords in place.	If required, assistance to be sought from an IT company to restore data. Review and renew anti-virus software annually.
19	Organisation	Cyber attack Ransomware attack	M	Parish Council Staff Public	Office 365 annual subscription (includes anti-virus software, firewall, malware protection). Monthly data back-ups. Secure passwords in place.	If required, assistance to be sought from an IT company to restore data. Review and renew anti-virus software annually.
20	Organisation	Loss of Parish Council records by fire, damage or theft	L	Parish Council	Adhere with GDPR to shred personal documents not legally required to be held. Maintain records only for length of time required in law. Paper records securely locked.	Parish Council to purchase fireproof storage cabinets.

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					Most documents also have an electronic copy.	
21	Organisation	Non-Compliance with Standing Orders	L	Parish Council	All Councillors issued with current Standing Orders and on website. Clerk to provide advice, if necessary. Chair has received training on Chairing meetings.	Annual review and adoption of Standing Orders by the Parish Council.
22	Organisation	Councillors' inappropriate behaviour / bring the Parish Council into disrepute	L/M	Parish Council	Councillors receive training on being an effective Councillor and their role. Social media policy in place. Councillors understand and accept the Code of Conduct.	All new Councillors to receive training. Refresher training offered to Councillors if required.
23	Organisation	Defamation of or from Councillors or Clerk/RFO	L	Parish Council	Libel and slander insurance in place to protect the Parish Council and its members/employees. Social media policy in place. Contract of employment and training in place for Clerk/RFO. Code of Conduct and training in place for Councillors. Disciplinary policy in place. Policy of not naming residents in the minutes.	Parish Council to continue offering training where required.
24	Liability	Employer does not comply with employment law for Clerk/RFO/employees	L	Parish Council	Legal employment policies in place to protect staff. Staff have a complaint policy. Staff have access to union membership.	Continue with membership of professional bodies. Offer training where required.

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					Membership of WALC and SLCC for advice. Councillors receive training.	Ensure complaints procedure is regularly reviewed.
25	Liability	Injury to staff, visitors, public due to negligence of the Parish Council / unforeseen events	L	Parish Council	Weekly and annual play area safety inspections in place. Three yearly tree inspections. Regular building and tree maintenance. Risk assessments undertaken. Contractor's report any faults discovered in the grounds. Appropriate signage in place. Insurance/public liability for five million pounds in place. Pavilion maintenance schedule.	Review risk assessments annual or when there is a material change. Ensure new contractors working in the grounds demonstrate they have their own public liability insurance. HHPC to continue with all regular inspections. Parish Council to consider whether the three yearly tree survey is sufficient.
26	Liability	Councillors have a conflict of interest or a financial interest	L	Parish Council	Conduct of Conduct in place. Councillors are required to declare interests in meetings and leave if required. A register of Member's interest is in place and reviewed annually, or if there is a material change.	Continue with all current procedures and offer training, if required.
27	Liability	Failure to comply with freedom of information or data protection	L	Parish Council	Freedom of information policy in place. Data protection policy in place. Document retention timescales adhered to. Council is a member of the Information Commissioner's Office.	Review policies annually. Continue to receive advice from industry bodies. Comply with FoI and GDPR.

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					Personal data not shared; consent required to share personal data. Training undertaken by Clerk on data protection.	
28	Liability	Expenditure or duties outside the appropriate legal powers	L	Parish Council Clerk / RFO	Training undertaken by the Clerk. Clerk clarifies if Council legally able to spend funds. Advice sought from WALC/SLCC, if required.	Continue to retain membership of WALC/SLCC.
29	Liability	Accuracy and timely publication of agendas and minutes	L	Parish Council Clerk	Councillors are given three clear days' notice of meetings. Agenda published to legal requirements. Minutes are agreed and approved at the next monthly meeting as a true record. Agendas and minutes published via the website and noticeboards.	Continue adhering to legal requirements.

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